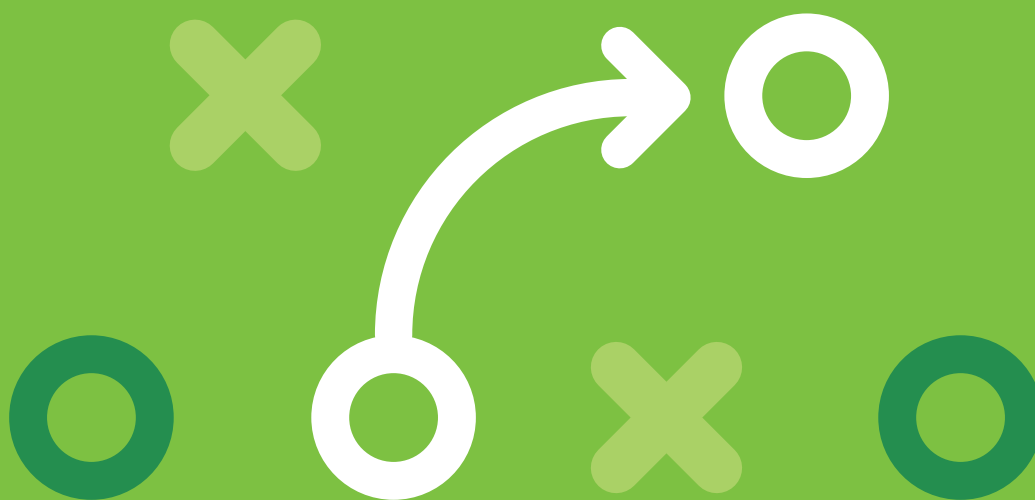


Predictive Playbook

Bridging the Sales and Marketing Divide



The Challenge

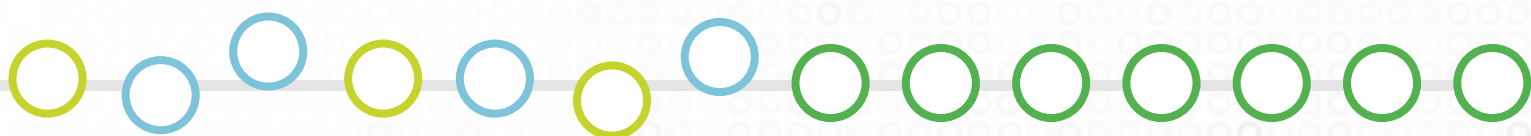
Once you have a statistically accurate model in place, the next step is to use the new scores to align your sales and marketing teams. The age old alignment problem typically looks like this: a sales rep says, “We’re not getting enough good leads,” and marketing responding with “What about these leads? Have you followed up with them?” This endless debate is the source of most conflict amongst these organizations, and can be diffused with a common definition of good leads that both sales and marketing trust. Predictive scoring provides a data-driven method for determining what a good customer really looks like, building confidence in the scores and eliminating the finger-pointing that’s so common.

Aligning Sales and Marketing

In this playbook, we’ll talk about how companies use this kind of insight to drive sales and marketing alignment in several ways. We’ll cover how you can leverage predictive to redefine your definition of a marketing-qualified lead (MQL), to create dashboards that key stakeholders can use to inform decision-making, and to test-and-invest in a variety of different marketing campaigns to deliver the highest quality leads to sales.

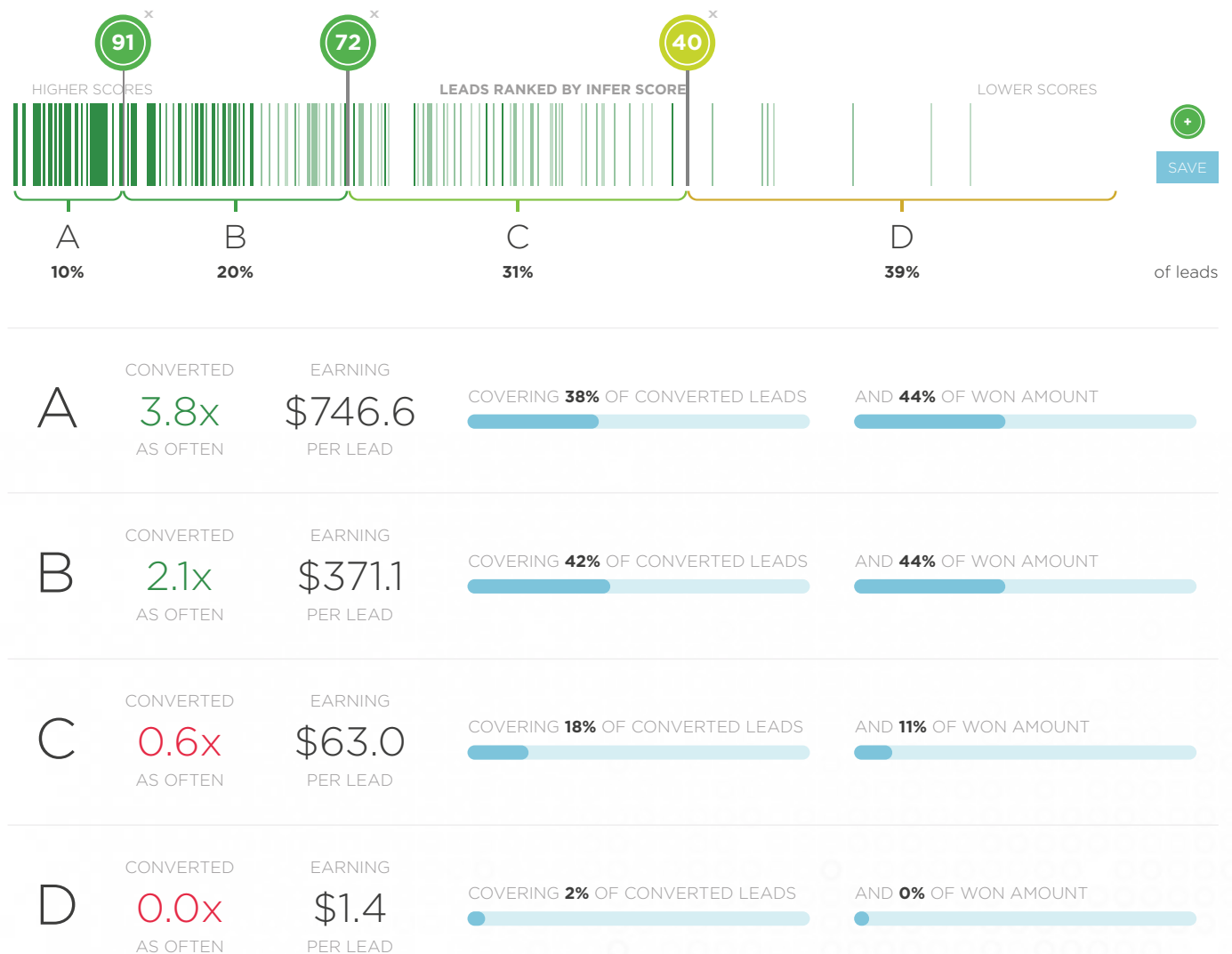
For this use case, we’ll take a page from a customer’s predictive playbook. As the leader in cloudbased enterprise performance management (EPM), Host Analytics knows a thing or two about making data actionable. Its executives run the company with a “math of the business” approach, determining the metrics they need to hit using reverse waterfall calculations. This starts with annual recurring revenue (ARR) and average selling price (ASP) targets, and cascades up to precise goals for how many deals, pipeline opportunities (at each stage), and ultimately MQLs they need to hit each month.

With the entire company focused on MQLs as a leading indicator of whether it will hit its revenue targets, the marketing team needed a better way to evaluate and prioritize good leads, and the new inside sales team couldn’t risk spreading itself too thin by calling every lead that exhibited any type of interest. After implementing a predictive scoring model from Infer, Host Analytics set out to clarify its murky definition of an MQL with proven data-driven criteria that brought everyone into alignment.



Defining Your Lead Buckets

Infer encapsulate a wide variety of internal and external data points into a single score that predicts how likely someone is to buy a Host Analytics solution. With this predictive-driven approach, the company was able to align around a new MQL definition in which only prospects categorized as Infer A, B and C-Leads (the company's top 50% of incoming leads by volume) are sent to the sales development team for follow up.



*To ensure confidentiality, only sample data is included above.

The organization uses these scores to inform compensation plans for each demand gen manager around reaching a certain number of Infer A, B, and C-Leads per month, quarter and year. In addition, sales development reps' performance is measured on how many opportunities they create from these MQLs. Both teams agree on the impact of focusing on these hot leads.



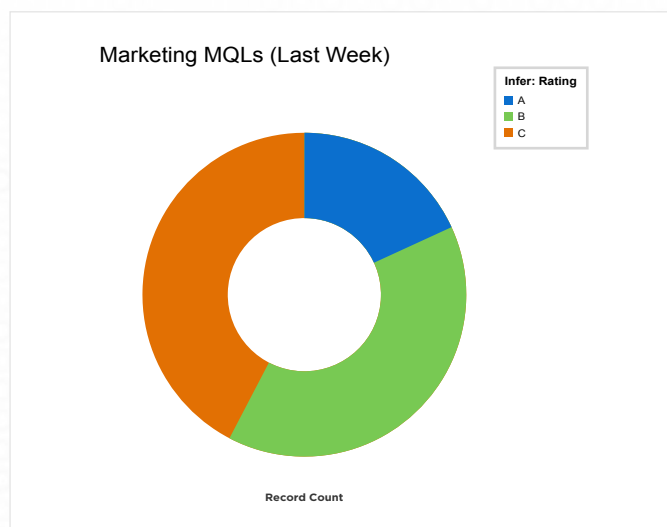
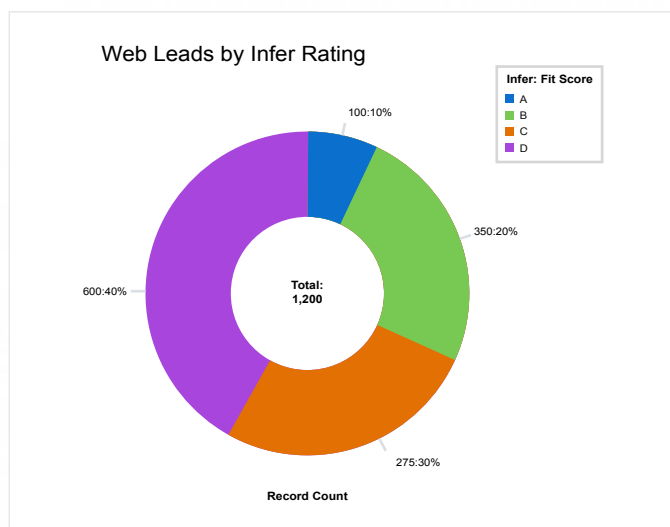
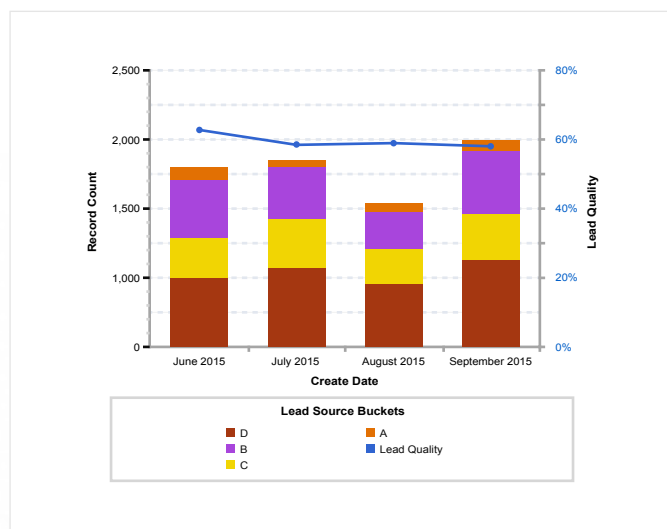
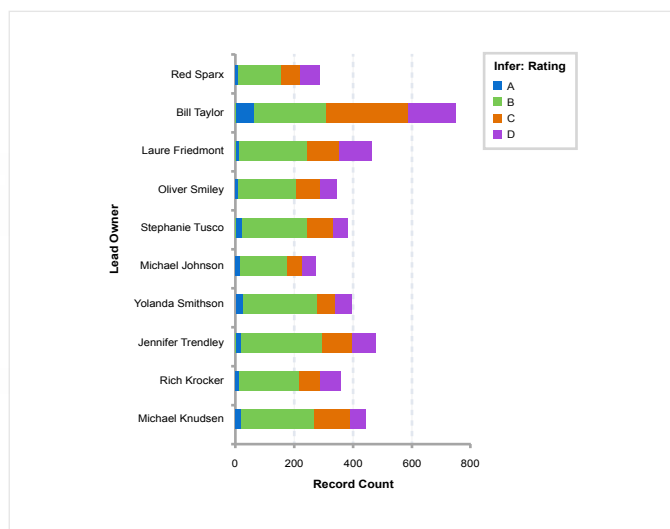
To ensure buy in for a score-based MQL definition, it's critical to closely monitor your thresholds for Infer D-Leads and make sure that only the best leads are pushed to sales.



It's also important to build trust that good opportunities aren't slipping through the cracks. Sometimes the best way to do that is to have your sales team work ~10% of the low-scoring leads so they'll appreciate the statistical difference and feel confident that good leads are rarely missed. Another technique is to use a predictive behavioral score that catches prospects who were initially classified as Infer C or D-Leads but are showing signs of buying intent.

Building Executive Dashboards

Instead of getting bogged down in spreadsheets and emails, savvy marketers like those at Host Analytics are building dashboards with predictive metrics to guide decision making, track performance, spot trends and prevent looming problems. For example, Host Analytics uses data visualizations similar to the following charts and graphs in order to monitor its lead flow:



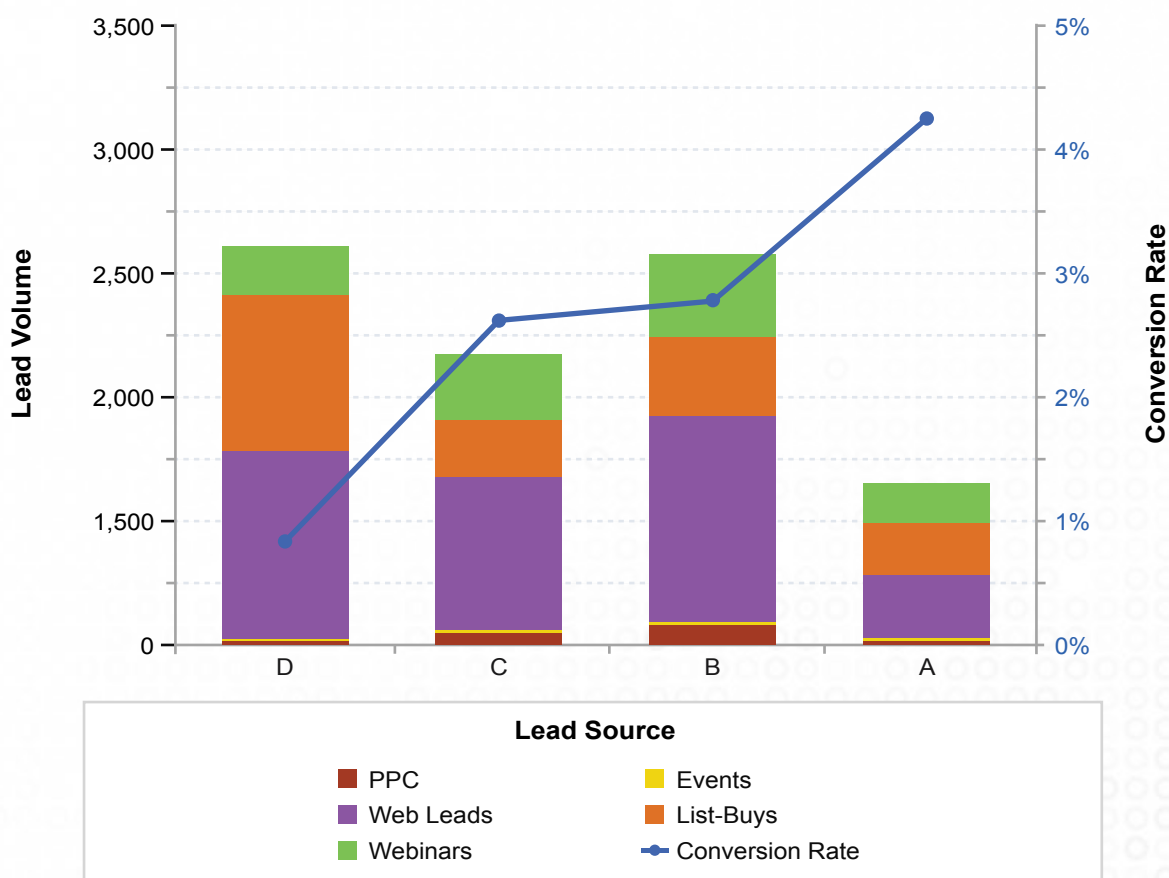
*To ensure confidentiality, only sample data is included above.

The company worked with Infer to build an array of Salesforce dashboards, which serve as valuable tools in overcoming many typical sales and marketing challenges. Host Analytics' vice president of marketing uses his dashboard to regularly gauge the performance of the demand gen team and track how well they are fueling the sales pipeline. By understanding how many Infer A, B and C-Leads a certain channel has historically produced, and the typical conversion rates for these high-quality leads, the marketing team can accurately predict how many of its prospects will convert into sales opportunities in a given month.

The sales development team also leverages its dashboard to monitor the volumes of Infer A, B and C-Leads across each team member. This helps boost productivity by ensuring parity and allowing each rep time to double-down on only the best leads.

Measuring Campaign Performance

By looking at charts such as "number of MQLs last week by source," Host Analytics' vice president of demand generation can easily experiment with various marketing campaigns to optimize for performance. His dashboard shows fluctuations amongst several channels, vendors and programs, such as online retargeting, account-based advertising, content marketing, drip nurture emails, and in-person events. By monitoring lead quality across different dimensions, he can now compare cost-per-good-lead using an objective measure – how many Infer A, B or C-Leads did a specific campaign or vendor deliver?



As a result, his team has invested more in certain higher-cost programs or list buys because they deliver a significantly greater volume of good leads vs. lower-cost vendors that generate a larger quantity of poor quality leads. With insights like this, Host Analytics can frequently test-and-invest in order to make sure the marketing team is only focusing on programs that generate the best quality leads for sales to follow up on. This approach is a win-win that further unifies the company's sales and marketing teams behind their shared goals.



With any campaign evaluation, remember that channel attribution is key. Take the time to implement effective housekeeping processes so opportunities are attributed to the appropriate channels in Salesforce.

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Every company should use predictive analytics to gain clear customer parameters that the whole organization can agree on – now that we have predictive scores, I'll never go back. Our Infer model makes all the difference when it comes to sales and marketing alignment.



Nick Ezzo, VP of Demand Generation
Host Analytics

About Infer

Infer delivers predictive business applications that help companies win more customers. It leverages proven data science to rapidly model the untapped data sitting in enterprises, along with thousands of external signals from the web. Customers include high growth companies like AdRoll, Cloudera, Concur, New Relic, Nitro, Tableau, Xactly and Zendesk. Headquartered in Palo Alto, California, Infer is funded by leading investors, including Redpoint Ventures, Andreessen Horowitz, Social+Capital Partnership, Sutter Hill Ventures and Nexus Venture Partners.



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